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C O N F I D E N T I A L SECTION 01 OF 04 CARACAS 002845

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SUBJECT: THE CHAVEZ CAMPAIGN: VICTORY, AT ANY COST?

REF: A. CARACAS 002685
[1](#)B. CARACAS 002620
[1](#)C. CARACAS 002827

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Classified By: COUNSELOR FOR POLITICAL AFFAIRS ROBERT DOWNES,
REASONS 1.4 (B) AND (D)

[1](#)1. (C) Summary. President Hugo Chavez' re-election campaign is a disturbing mix of retrograde authoritarian tactics and creeping totalitarian tendencies. Chavez and his close campaign team exercise tight control over a formidable, country-wide grassroots electoral organization and an administration that conflates public spending with electioneering. At his September 9 mass rally in Caracas, Chavez exhorted over 200,000 militants to deliver at the polls -- or else. Consistently stressing a divisive, confrontational campaign message, Chavez insists that he is not running against surging opposition candidate Manuel Rosales, but rather against President Bush and "lackeys" of the American "empire" and "Venezuelan oligarchy." He and his supporters also continue to deflect, re-direct, or distract public attention from the opposition's discussion of the Chavez administration's failings and its credible concerns about the electoral system. Chavez' control over the CNE also affords him an insurance policy against an opposition victory, but it remains to be seen to what extent Chavez will cheat or steal. Backed by so many electoral advantages, Chavez appears to be already looking beyond December 3 and laying the ground work for the accumulation of even more personal power. End Summary.

Control - We Have Your Phone Number

[1](#)2. (C) President Chavez is, for all intents and purposes, the Chavez campaign. He is also his own campaign manager who is directing his electoral efforts through mass rallies, country-wide barnstorming, and extended television appearances, including his weekly "Alo Presidente" program. At the same time, Chavez also exercises direct control over a small, central re-election committee consisting of ten national coordinators and one campaign leader for all 24 states, most of them members of the National Assembly. He named his "Miranda Campaign" team (named for the "precursor" to Simon Bolivar's liberation campaign) on August 17 and has charged them not just with securing victory on December 3, but preparing the ground for the next phase of the Bolivarian revolution (2007-2021).

13. (C) Francisco Ameliach Orta, perhaps Chavez' closest supporter in the National Assembly, is Chavez' campaign "boss." The bald-headed, barrel-chested 40-year-old former Army major Ameliach has an impeccable Bolivarian resume: participant in the failed 1992 coup, President of the National Assembly from 2003 to 2005, and National Coordinator of Chavez's Fifth Republic Movement (MVR) since 2002. Former National Assembly Second Vice President Pedro Miguel Carreno Escobar, also a participant in the failed 1992 coup attempt, is campaign director for organization and propaganda. Prior to being named the campaign's national liaison to unions, Deputy Francisco Torrealba told poloff that he skipped representing Venezuela at an international labor conference in South Africa to avoid missing the chance to be on the central campaign committee. "If I am not in Caracas and waiting," Torrealba said, "the President could easily just pick someone else."

14. (C) The ability of Chavez and his closest supporters to organize grassroots cells throughout Venezuela gives him a tremendous advantage in the upcoming presidential election. At a September 9 campaign rally in Caracas, Chavez administered an "oath of allegiance" to over 200,000 local campaign leaders. PolCouns spoke informally with a number of bused-in attendees who politely confirmed their commitment to the Chavez campaign (as well as interest in the festive atmosphere and free lunches and t-shirts). Chavez claimed at the rally to have established over 11,000 "battalions," one for each Venezuelan voting center. Each "battalion" consists of six persons: an overall leader as well as persons responsible for security, logistics, movements of voters, the electoral list, and control. In addition, Chavez asserted that these "battalions" are reinforced by over 44,000 "squadrons" consisting of the same six local positions.

15. (C) At the September 9 rally, Chavez dwelled on the

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responsibilities of the local leaders -- and the supervision of their work. Exhorting the Chavista volunteers to work "day and night," he noted that he and other party leaders "have your telephone number" and plan to call local leaders for campaign reports. To underscore this point, Chavez called on stage and spoke via speaker phone with a number of "battalion" and "squadron" leaders, ostensibly chosen at random. Referring to circumstances that could hinder voting (e.g. illness, travel), Chavez placed responsibility on the newly sworn-in local leaders to ensure the 4 million militants he claims to have registered, as well as an equal number of "sympathizers," go to the polls -- no matter what!

Confront - My Country or Death

16. (C) Chavez has made "Patria o Muerte" confrontation the strategic and ideological basis for his re-election. He divides Venezuelans -- and the world -- into us versus them (Ref A) and creates imagined enemies and threats to combat. Instead of a seven-year incumbent Goliath who possesses considerable advantages in the upcoming election, Chavez depicts himself as a David standing up to the "American Empire." Chavez and his supporters claim that Chavez is running not against Rosales, but against President Bush (whom he usually refers to as "Mr Danger," or more recently, "Mr Diablo."). Chavez' stump speeches regularly stress Chavez' commitment to protect Venezuela from "re-colonization" by the United States (sic).

17. (C) Chavez scrupulously avoids referring to consensus opposition candidate Rosales by name, instead insisting that he is running against U.S. "lackeys" and "pawns of the Venezuelan oligarchy." Chavez has left it to others in his camp to attack Rosales directly. Although MVR leaders were ostensibly embarrassed by Caracas Metropolitan Mayor Juan

Barreto's invective-filled August 22 tirade against two opposition mayors at a public meeting (Ref B), Barreto's verbal assault on the "putrid middle class" was consistent with Chavez' electoral strategy of pitting the "have nots" against the "haves." Barreto's threat to expropriate private golf courses in Caracas to make way for public housing also conveniently distracted public attention away from Rosales, and from Chavez' own inability to grapple with the serious housing shortage in Caracas.

18. (C) Chavez' weaves an electoral argument that purposefully looks beyond the presidential election, denying in a back-handed way the possibility that Rosales could defeat him at the polls. By this Bolivarian logic, the coming months are not about choosing the best candidate to address Venezuela's many political, economic, and social problems, but rather consolidating the "revolution." Already early in the campaign, Chavez has publicly highlighted ambitious priorities for 2007: amending the Constitution, to permit another, perhaps indefinite, re-election, as well as the holding of a party conference to merge the MVR and its coalition partners into a single "revolutionary" party (Septel).

19. (C) Chavistas have also resorted to electoral violence (Ref C). Chavistas pelted Rosales campaign marches with stones September 5 in the state of Vargas and September 7 in the poor Catia neighborhood of Caracas. According to members of the Rosales campaign team, the National Guard and police did not act to prevent either attack, and were complicit in Catia. MVR Deputy and Chavez' Campaign Director in Maracaibo Calixto Ortega told PolCouns September 8 that such attacks are a "shame," but nonchalantly predicted more electoral violence, particularly in Caracas. Cardinal Urosa Sabina issued a September 10 public plea that such violence stop.

Counterattack - It's Them, Not Us

110. (C) Chavez' campaign team has been particularly adept -- as well as bald-faced and brazen -- at deflecting, re-directing, and distracting attention from the opposition's electoral conditions complaints. After opposition leaders complained that Chavez is using government resources and media in support of his re-election campaign, Ameliach filed formal complaints August 28 with the National Electoral Council (CNE) accusing Rosales of using Zulia state funds for his campaign and of exceeding the allowable limit of TV air

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time. State media beginning-to-end coverage of Chavez' hours-long September 1 and September 7 Caracas campaign rallies aside, state regulators have begun a formal investigation of Globovision for allegedly focusing too much attention on Rosales. After Rosales held a press conference to denounce the two separate Chavista attacks on his rallies, pro-government daily "Vea" attributed the attacks to "incitements" by the Rosales campaign and adeco abstentionists.

111. (C) Chavistas discount the political importance on the presence of tens of thousands of Cuban health and education professionals engaged in "social missions" in Venezuela. Instead, Chavistas routinely criticize the opposition for meeting with U.S. embassy officials and receiving U.S. support (sic). "Vea" exploited both Rosales' and Benjamin Rausseo's visits to Miami in early September to reassert Chavista anti-American conspiracy theories. The BRV continues to exploit its own fabricated friction with the United States over the diplomatic baggage search and seizure. National Assembly Deputy and head of the Assembly's Foreign Policy Commission Saul Ortega told the media September 7 that he suspected that cargo contained arms, explosives, and cash for opposition campaigns (sic).

Co-opt - Spend Now, Spend Later

¶12. (C) Awash with oil revenues, Chavez manages enormous government resources with a notable lack of transparency. He has at his disposable a ready war chest to finance everything from populist give-aways to campaign ads and events (Ref A). Election year government spending is already well under way: government spending in June 2006 jumped a staggering 97 percent over the same period in June 2005, according to the Central Bank. January to June spending in 2006 grew by 83.5 percent compared to the same period last year. In what appears to be a well-timed campaign move, the BRV announced the pay out on September 6 of overdue pension payments to over 200,000 Venezuelans at a total expenditure of \$125 million (the government printed the identity numbers of all the recipients in a daily newspaper insert). The BRV is reportedly also considering reducing the 14 percent value-added sales tax prior to the election.

¶13. (C) The BRV also continues to make little, if any, distinction between public administration and the Chavez campaign. Chavez relies on government resources, including the military, to bus his militants to mass rallies. The same has to be expected when it comes to moving his supporters to the polls on December 3. So far in 2006, spending on "social missions" is reportedly eight times what the BRV budgeted for. Government-owned media outlets are essentially extensions of Chavez' campaign team. And government employees, including from the Ministry of Foreign Affairs, have formed Chavista banner-waving groups visibly linking their government offices to the Chavez campaign.

Cheat - As Necessary

¶14. (C) Chavez' domination, and politicization, of the National Electoral Council (CNE), is his electoral insurance policy. The fully one-half of the Venezuelan electorate who distrust the CNE are suspicious with good reason. Chavez' control over four out of five voting members of this nominally independent body provides him with an opportunity to make Rosales' uphill campaign even more difficult in the run-up to December 3. The big unknown is the extent to which Chavez will rely -- or feel compelled to rely -- to secure the electoral "knock-out" he is promising his supporters.

¶15. (C) Electoral problems already abound. The CNE's preliminary ruling to retain digital fingerprinting as part of the voting process casts considerable public doubt on the secrecy of the ballot and could deter an appreciable number of potential Rosales voters. Moreover, it is widely believed that Chavez has the ability to manipulate electoral results. The CNE's reluctance to match any more than about half of all paper receipts with voting results reinforces this concern. Moreover, the CNE will soon announce that there are now well over 16 million registered voters in Venezuela, a considerable increase over the number of registered voters in less than one year. There has not been, nor is there time

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enough for, a comprehensive, independent audit of the electoral rolls.

Comment

¶16. (C) Despite so many advantages, Chavez is not entirely invincible electorally. Chavistas and opposition pollsters alike believe Chavez can count on approximately 30-35 percent of the electorate as "core" voters, but he still needs to woo (or coerce) around 20 percent or so of the electorate to secure victory on December 3 (and more if he is going to

claim a "knock-out"). Two members of Chavez's re-election campaign conceded to us that their biggest electoral fear is abstentionism among likely Chavez voters (the "Chavez lite") and the neither/nor ("ni-ni") voters. One Chavista strategist noted that even during the referendum, abstentionism reached 35 percent. Pro-government daily "Vea" regularly urges Chavistas to avoid "triumphalism" and stresses getting out the Chavista vote. One reason the Chavista camp fears a low voter turnout is because it would undermine the international acceptance of a Chavez victory, as it did in the December 2005 parliamentary elections. Moreover, Chavez needs a big, convincing win in order to undertake the constitutional reforms he is reportedly planning. It is not surprising then that Rosales has been greeted with violence during recent campaign stops in traditional Chavez strongholds.

¶17. (C) Moreover, Chavez' divisive "anti-Empire" campaign message does not necessarily resonate with an electorate which, according to the polls, is more concerned about domestic issues and is favorably disposed to improving relations with the United States. Chavez still possesses an extraordinary charismatic, popular touch, but the more he radicalizes his campaign, and the more time he devotes to foreign adventures, instead of domestic problems, the more he may be perceived as "out of touch" by Venezuelan voters. His great strength has been his ability to organize, intimidate, and co-opt voters, but after seven years in office, voters are also more likely to demand results, and not just promises. This is still Chavez' election to win or lose (or steal). Nevertheless, the opposition has a real opportunity to demonstrate nationally and internationally that Chavez represents only roughly half of a deeply divided and polarized electorate and that at least forty percent or more of Venezuelans stand ready to try to safeguard democracy against Chavez' increasingly radical Bolivarian revolution.

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